

construction to ensure integrity of the procedure. RUS borrowers with less than 2000 subscribers may use the above procedure or have construction inspection performed by the GFR.

(b) Engineering services for minor construction may be contracted using RUS Form 245, Engineering Service Contract—Special Services. Costs for these services may be included in the costs for construction on the Form 771. (See subpart B of this part.

(c) Upon completion of construction, the borrower shall obtain the engineer's certification on RUS Form 771. An official of the borrower, designated by the board of directors, shall also execute the borrower's certification on Form 771.

[54 FR 39267, Sept. 25, 1989. Redesignated at 55 FR 39397, Sept. 27, 1990, and amended at 55 FR 53488, Dec. 31, 1990]

§ 1753.82 Minor construction closeout.

(a) For minor construction inspected by the borrower's engineer, an original and two copies of Form 771 shall be sent to the GFR. The GFR will initial and return the original and one copy.

(b) When funds are requested for minor construction, the original Form 771 signed or initialed by the GFR, shall be submitted with the FRS. Forms 771 should be submitted only with the FRS which they support. RUS does not encumber funds pursuant to Forms 771 unless an advance is made to the borrower. (See 7 CFR part 1744 subpart C).

§§ 1753.83—1753.90 [Reserved]

Subpart J—Construction Certification Program

SOURCE: 55 FR 3574, Feb. 2, 1990, unless otherwise noted. Redesignated at 55 FR 39397, Sept. 27, 1990.

§ 1753.91 General.

(a) This subpart implements and explains the provisions of the loan documents setting forth the requirements and procedures to be followed by borrowers accepting nomination for the construction certification program. Terms used in this subpart are defined in § 1753.2.

(b) [Reserved]

(Approved by the Office of Management and Budget under control number 0572-0062)

§ 1753.92 Policies and requirements.

(a) It is RUS policy that, as borrowers gain in experience and maturity, the advice and assistance rendered by RUS shall progressively diminish. Prior to approval of a loan, RUS may nominate certain borrowers to fulfill the responsibilities for administration and construction of projects financed with RUS loans. Borrowers who accept this nomination will be known as "certification borrowers," and the program in which they participate will be known as the "certification program."

(b) Generally, initial loan borrowers are not eligible for the certification program.

(c) Generally, the factors which RUS will consider in selecting borrowers for the certification program will include:

(1) The experience of the staff of the borrower.

(2) The RUS assessment of the borrower's ability to handle the certification program requirements considering the size and complexity of the proposed construction in the LD.

(3) The history of the borrower in following RUS's policies and procedures.

(4) Other factors deemed relevant by RUS.

(d) Except as specifically stated in this subpart, certification borrowers must comply with all requirements applicable to other borrowers.

(e) RUS reserves the right at any time to require submission of construction documents or to remove the borrower from the certification program.

§ 1753.93 Responsibilities.

(a) *Responsibilities transferred to certification borrowers.* (1) Approval of engineering and architectural service contracts.

(2) Approval of P&S.

(3) Approval of price quotations and bids, except where the low price bid is not accepted.

(4) Approval of award of construction contracts and amendments.

(5) Approval of FAP's if RUS has approved the force account method of